90-06797/

SELECT STANDING COMMITTEE

ON

PUBLIC ACCOUNTS

FIRST REPORT

Fourth Session

Thirty-fourth Parliament

British Columbia Legislative Assembly

July 25, 1990

Ms. Darlene Marzari, M.L.A.
Chairperson

FIRST REPORT
of the
Select Standing Committee
on
Public Accounts

Fourth Session

Thirty-fourth Parliament

Legislative Assembly of British Columbia

July 25, 1990

TABLE OF CONTENTS

	Page
Letter of Transmittal	4
Composition of the Committee	5
Terms of Reference and Procedure	6
Recommendations	9
Canadian Council of Public Accounts Committees	10
Status of Business	12
Minutes of Proceedings	15

Parliament Buildings,
Victoria, British Columbia

July 25, 1990

To The Honourable,
The Legislative Assembly of
The Province of British Columbia,
Victoria, British Columbia

Honourable Members:

I have the honour to submit the *First Report* of the Select Standing Committee on Public Accounts for the Fourth Session of the Thirty-fourth Parliament.

This *First Report* covers the work of the Committee from May 8, 1990 through July 24, 1990.

Respectfully submitted on behalf of the Committee.

Ms. D. Marzari, M.L.A.,
Chairperson
(Vancouver - Point Grey)

Select Standing Committee

on

Public Accounts

Composition of the Committee

Fourth Session Thirty-fourth Parliament

Members:

Ms. Darlene Marzari, M.L.A. **Chairperson**	**Vancouver - Point Grey**
Mr. Dave Mercier, M.L.A. **Deputy Chairman**	**Burnaby - Edmonds**
Honourable John Reynolds, M.L.A.	**West Vancouver - Howe Sound**
Honourable Elwood Veitch, M.L.A.	**Burnaby - Willingdon**
Mr. Graham Bruce, M.L.A.	**Cowichan - Malahat**
Mr. Larry Chalmers, M.L.A.	**Okanagan South**
Mr. Harold Long, M.L.A.	**Mackenzie**
Mr. Dan Peterson, M.L.A.	**Langley**
Mr. Barry Jones, M.L.A.	**Burnaby North**
Mr. Dale Lovick, M.L.A.	**Nanaimo**
Mr. Robert Williams, M.L.A.	**Vancouver East**

Clerk to the Committee:

Mr. Craig James, Clerk of Committees *and*
Second Clerk Assistant

Officials:

Mr. George Morfitt, F.C.A., Auditor General

Mr. Brian Marson, Comptroller General

TERMS OF REFERENCE AND PROCEDURE

This Committee was established by the Legislative Assembly on April 5, 1990 for the Fourth Session of the Thirty-fourth Parliament with the following terms of reference:

> **"...to examine and inquire into all such matters and things as shall be referred to them by this House, and to report from time to time their observations and opinions thereon, with the power to send for persons, papers and records..."**

Matters most commonly referred to this Committee are the Public Accounts of the Province of British Columbia, the Auditor General's Annual Report, and applications for the retention and disposal of government documents.

Section 10(4) of the *Auditor General Act* states that:

> **"On being laid before the Legislative Assembly, the annual report of the Auditor General shall be referred to the Public Accounts Committee of the Legislative Assembly."**

In the past the House has interpreted this subsection to mean that, upon being tabled in the Legislative Assembly, the Annual Report of the Auditor General stands referred to this Committee.

The annual Public Accounts of the Province of British Columbia are tabled in the House in accordance with Section 8(3)(c) of the *Financial Administration Act*, which requires that they:

> **"be laid by the Minister of Finance before the Legislative Assembly by December 31 next after the end of the fiscal year, if the Legislative Assembly is then sitting, and otherwise within 15 sitting days after the opening of its next sitting."**

The Public Accounts are referred, on motion, to this Committee, traditionally by the Minister of Finance. The practice the House follows is for the Committee to receive the applications for the retention and disposal of government documents directly from the Public Documents Committee, "which consists of the provincial Archivist, the Comptroller General and 3 other persons to be named by the Lieutenant Governor in Council" (*Document Disposal Act*, RSBC 1979, C.95,S.3(1)):

- the applications are tabled in the Public Accounts Committee by the Public Documents Committee pursuant to section 3(2)(b) and (c) of the *Document Disposal Act:*

"(2) no document shall be destroyed before the expiration of 7 years from the date on which it was created unless ...

(b) a recommendation under subsection (1) has been approved by the Legislative Assembly on the recommendation of the Select Standing Committee of the Legislative Assembly on Public Accounts and Economic Affairs (sic); or

(c) it is

(i) listed in a records schedule approved by the Select Standing Committee of the Legislative Assembly on Public Accounts and Economic Affairs (sic), and

(ii) destroyed in accordance with the records schedule."

Strictly speaking, this Committee is afforded the opportunity of exercising its authority only within the confines of its terms of reference and instructions given to it by the House, which forms the basis of the work of this Committee. Without a special instruction from the House the Select Standing Committee on Public Accounts cannot direct the Office of the Auditor General to undertake any special inquiries since, it is argued, these specific matters have not been referred to the Committee. However, the Committee is able to ask the Auditor General to assist with research into any particular area being examined by the Committee. Research would not include the act of auditing unless that provision is contained within the Committee's terms of reference.

If research is interpreted by the Committee to mean "special assignment" the Committee might be precluded from requesting the Auditor General to respond:

> **"13. The Auditor General may undertake special assignments at the request of the Lieutenant Governor in Council, but he is under no obligation to carry out any requested assignment if, in his opinion, it would interfere with his primary responsibilities."** (*Auditor General Act.*)

Section 69 of the *Constitution Act* provides a legal framework around which the Public Accounts and other committees may operate:

69. (1) A select standing or special committee of the Legislative Assembly may, if authorized by resolution of the Legislative Assembly, sit
   - (a) during a period in which the Legislative Assembly is adjourned; or
   - (b) during the recess after prorogation until the next following session, and shall report to the Legislative Assembly on the matters referred to it following the adjournment, or at the next following session, as the case may be.

   (2) A select standing or special committee of the Legislative Assembly authorized under subsection (1) may sit at times and places and examine witnesses and documents and hear representations from persons and organizations
   - (a) as the Legislative Assembly, by resolution, may direct: or
   - (b) as the committee may decide, where there is no direction, and for the purpose of this section the committee
   - (c) may compel the attendance of witnesses and the production of documents; and
   - (d) has all the powers and privileges of the Legislative Assembly under the *Legislative Assembly Privilege Act*, and a warrant or subpoena issued by the chairman of the committee has the same force and effect as if issued by the Speaker under section 3 of the *Act*.

Sir Erskine May's **Parliamentary Practice** states that:

> *... a select committee, like a Committee of the Whole House, possesses no authority except that which it derives by delegation from the House by which it is appointed. When a select committee is appointed to consider or inquire into a matter, the scope of its deliberations or inquiries is defined by the order by which the Committee is appointed..., and the deliberations or inquiries of the committee must be confined within the limits of the order of reference.* (May, 20th edition, page 67).

Furthermore, additional procedural guidance is provided to the Committee through Standing Order 71 of the Legislative Assembly of British Columbia which states, in part:

> *... The Standing Orders of the House shall be observed in the Select Standing and Special Committees to the same extent as the same may be applicable to the Committee of the Whole House ... Procedural matters arising in Committee shall be decided in Committee ... A majority of the members of a Committee shall be a quorum, unless the House has otherwise ordered.*

The role of the Committee is described as not seeking to concern itself with policy rather, *its interest is in whether policy is carried out efficiently, effectively and economically. Its main functions are to see that public moneys are applied for the purposes prescribed by Parliament* (May, 20th edition, page 728) arising out of matters referred to it by the Legislative Assembly.

Business Conducted

At the first meeting of the Committee on May 8, 1990 Ms. Darlene Marzari, M.L.A. was elected as Chairperson of the Committee. Mr. David Mercier, M.L.A. was elected Deputy Chairman. The Chairperson, the Deputy Chairman, the Clerk of Committees, the Auditor General and the Comptroller General met informally in an effort to generate a business schedule. The schedule was to include issues arising out of the 1990 Annual Report of the Auditor General to the Legislative Assembly, the Public Accounts for the Province, 1988-89 and anticipated retention and disposal applications from the Public Documents Committee, and a timetable for review.

The Committee conducted 10 meetings in the Parliament Buildings on the following dates:

Tuesday, May 8, 1990	8:00 a.m. - 9:05 a.m.
Tuesday, May 15, 1990	8:00 a.m. - 9:30 a.m.
Thursday, May 24, 1990	8:00 a.m. - 9:30 a.m.
Tuesday, May 29, 1990	8:30 a.m. - 9:35 a.m.
Tuesday, June 5, 1990	8:00 a.m. - 9:25 a.m.
Tuesday, June 12, 1990	8:30 a.m. - 9:35 a.m.
Tuesday, June 19, 1990	8:00 a.m. - 9:35 a.m.
Tuesday, June 26, 1990	8:00 a.m. - 9:30 a.m.
Tuesday, July 17, 1990	8:00 a.m. - 9:00 a.m.
Tuesday, July 24, 1990	8:00 a.m. - 9:00 a.m.
	Deliberations: 12.7 hours

The Committee is appreciative of the effort brought to bear upon its deliberations by the employees of the Government of British Columbia who appeared as witnesses on issues under review by the Committee.

The Committee expresses its appreciation to the Auditor General, Mr. George Morfitt, F.C.A. and to the Comptroller General, Mr. Brian Marson and the staff from their respective offices for providing the Committee with the technical expertise it required to pursue the reviews.

The Committee conveys its gratitude to the Office of the Clerk of Committees for the administrative and procedural support supplied to the Committee; to Hansard and to the Legislative Library for their excellent work for the Committee during 1990.

RECOMMENDATIONS

Recommendation #1

Your Committee recommends that the management of the retention and disposal of the operational records of the Ministry of Native Affairs be in accordance with the records schedules, standards, and guidelines described in the Ministry of Native Affairs Operational Records Classification System.

Recommendation #2

Your Committee recommends that the management of the retention and disposal of the operational records of Land Titles Offices, Ministry of Attorney General, be in accordance with the records schedules, standards, and guidelines described in the Land Title Office Operational Records Classification System.

Recommendation #3

Your Committee recommends that the retention and disposal of the records described in the one-time and ongoing records retention and disposal authorities described in PAC 10/90 and addendums be in accordance with the disposal dates, retention periods, and final dispositions indicated on those authorities.

Recommendation #4

Your Committee recommends that the management of the retention and disposal of the operational records of the Driver License Division of the Motor Vehicle Branch, Ministry of Solicitor General, be in accordance with the records schedules, standards, and guidelines described in the Driver License Division Operational Records Classification System.

Recommendation #5

Your Committee recommends that the retention and disposal of the records described in the one-time and ongoing records retention and disposal authorities described in PAC 10/90 and addendums be in accordance with the disposal dates, retention periods, and final dispositions indicated on those authorities.

Recommendation #6

Your Committee recommends that the Administrative Records Classification System and the ongoing records schedules covering Executive Records and Special Media Records be amended as described in the amendment records retention and disposal authorities described in PAC 10/90 and addendums.

Recommendation #7

Your Committee recommends that the "cut-off limit" for reporting salaries in the Public Accounts be raised to $35,000.00

Canadian Council

of

Public Accounts Committees

Delegates from the Select Standing Committee on Public Accounts attended the Twelfth Annual Conference of the Canadian Council of Public Accounts Committees in St. John's, Newfoundland on July 8 - 11, 1990. The Committee wishes to express its support for this organization and appreciates that Mr. Speaker authorized the Members' attendance at this annual event.

A purpose of the Council is to act as a forum for the exchange of information between parliamentarians so as to increase the awareness of the Members of public accounts committees as to their role in the financial cycle and process.

This year's conference was attended by delegates from the New South Wales Public Accounts Committee in Australia as well as representation from all Canadian jurisdictions. Traditionally, these annual meetings coincide with the Annual Conference of Legislative Auditors. A joint meeting was held between the legislators and auditors engaging in a frank and open discussion on matters impacting upon the performance of public accounts committees and offices of the legislative auditors throughout the land.

CONSTITUTION

Canadian Council of Public Accounts Committees

(Approved July 6, 1982; amended July 9, 1986; ratified July 11, 1990)

1. The Canadian Council of Public Accounts Committees is hereby established.

2. The aims of the Council are:

   (a) To facilitate the exchange of information and opinion relating to Public Accounts Committees, and to discuss matters of mutual concern;

   (b) To improve the quality and performance of Public Accounts Committees in Canada to ensure that taxpayers are getting value for money;

   (c) To work with Auditors General so as to improve the effectiveness of both the Auditors and Public Accounts Committees;

   (d) To work with individuals and organizations knowledgeable about matters of concern to Public Accounts Committees;

   (e) To educate the elected Members, the media and the general public as to the purposes and activities of Public Accounts Committees.

3. Membership in the Council is open to legislators who are members of all Canadian Public Accounts Committees or of similar legislative committees scrutinizing public spending.

4. The Council shall meet annually, with the meetings open to legislators and staff of the Public Accounts Committees.

5. In case of questions to be decided at the annual meeting, one vote may be cast by the House of Commons Public Accounts Committee and by the Public Accounts Committee (or equivalent) of each province or territory.

6. (a) The Board of Directors of the Council shall be composed of a President and two Vice-Presidents, elected by the Council, and serving at pleasure; whenever possible, the Public Accounts Committee Chairman of the jurisdiction in which the annual meeting is to be held shall be a member of the Board of Directors. The members of the Board shall be chairman of the Public Accounts Committees, or similar bodies, and shall be elected at an Annual General Meeting.

(b) The Board of Directors shall meet once yearly between the annual meeting.

(c) Whenever possible the Committee Clerk of the jurisdiction in which the annual meeting is to be held shall be secretary to the Board of Directors.

(d) An Executive Secretary shall be elected every two years at the annual meeting and whose function it will be to coordinate the publication of the Public Accounts Committees series in the Canadian Parliamentary Review.

7. (a) A quorum of the Council shall be 6 voting members.

(b) A quorum of the Board shall be 2 voting members.

STATUS OF BUSINESS

DOCUMENTS TABLED

Guidelines for Public Accounts Committees in Canada (Mr. Peterson, M.L.A.; May 8, 1990) *deferred* **PAC 1/90**

Terms of Reference and Procedural Notes (Mr. Mercier, M.L.A.; May 8, 1990) *deferred* **PAC 2/90**

Schedule - suggested (Ms. Marzari, M.L.A.; May 8, 1990) *deferred* **PAC 3/90**

Comments of Chairman of Treasury Board and the Comptroller General on the Auditor General's report "control of the public purse by the Legislative Assembly" (Ms. Marzari, M.L.A.; May 8, 1990) *deferred* **PAC 4/90**

Report with respect to early release of provincial public accounts to the public (Mr. Mercier, M.L.A.; May 8, 1990) *deferred* **PAC 5/90**

Auditor General Annual Report to the Legislative Assembly of British Columbia, March 1990 (deemed referred by the Legislative Assembly May 1, 1990) *deferred* **PAC 6/90**

1988-89 Public Accounts; volumes 1 through 3 and Digest (referred by the Legislative Assembly April 6, 1990) *deferred* **PAC 7/90**

Impact of cyclical resource revenues on the Province's finances 1972-1989 (May 15, 1990) *completed* **PAC 8/90**

Public Accounts - briefing handout by the Comptroller General (May 15, 1990) *completed* **PAC 9/90**

Approval of records retention and disposal authorities:

- letter to the Chairperson **PAC 10/90** *completed*
- schedules **PAC 10a/90** *completed*
- letter to the Chairman **PAC 10b/90** *completed*
- schedules **PAC 10c/90** *completed*

Motion re subcommittees (Mr. Jones, May 15, 1990) **PAC 11/90** *deferred*

Commercial facilities - primarily used for Bingo 1990/91 fiscal period (British Columbia Gaming Commission, May 29, 1990) **PAC 12/90** *deferred*

Independence of the British Columbia Gaming Commission (Auditor General, June 5, 1990) **PAC 13/90** *deferred*

Structure of the Gaming Commission (Comptroller General, June 5, 1990) **PAC 14/90** *deferred*

Government's consolidated entity (Comptroller General, June 5, 1990) **PAC 15/90** *deferred*

Reporting of employee salary and expense payments - volume II, Public Accounts (Comptroller General, June 5, 1990) **PAC 16/90; PAC 16a/90** [June 26, 1990; adjourned debate]

Lottery Fund: various requests for information **PAC 17/90 through PAC 21/90** (Mr. Lovick) *deferred*

Ministry of Transportation and Highways: number of pits, 1989 **PAC 22/90** [July 24, 1990] *completed*

REQUESTS FOR INFORMATION

(* = denotes received by the Committee)

Government's entity for the purposes of the consolidated financial statements (Mr. Peterson, M.L.A.; May 15, 1990) [Comptroller General] *

Rationale and comparisons re schedule of payments - public accounts (Mr. Peterson, M.L.A.; May 15, 1990) [Comptroller General] *

List of owners and agents of bingo halls in British Columbia (Ms. Marzari, M.L.A.; May 24, 1990) [British Columbia Gaming Commission] *

Analysis of the independence of the British Columbia Gaming Commission [Auditor General and Comptroller General] (Mr. Mercier, M.L.A.; May 29, 1990) *

Grants emanating from the Lotteries Fund for which an application was not received (Ms. Marzari, M.L.A.; June 5, 1990) [Ministry of the Provincial Secretary]

Delta Community Career and Living Society (GO 89 2616 grant) [Ministry of the Provincial Secretary] (Mr. Jones, M.L.A.; June 12, 1990)

Criteria applied to a GO grant to School District #60 [Ministry of the Provincial Secretary] (Mr. Jones, M.L.A.; June 19, 1990)

Detail surrounding the Ontario position regarding employee salary and expense payments included in their public accounts documents [Comptroller General] (Mr. Peterson, M.L.A.; June 26, 1990)

DECISIONS

Chairmanship (May 8, 1990)

Deputy Chairmanship (May 8, 1990)

Canadian Council of Public Accounts annual meeting - Newfoundland, July, 1990; attendance (Mr. Peterson, M.L.A.; May 15, 1990) [approved and authorized by Mr. Speaker, May, 1990]

Records Retention and Disposal Authorities [PAC 10/90] (June 12, 1990); [PAC 10c/90] (July 17, 1990)

Salary levels in the public accounts [PAC 16/90; PAC 16a/90] (July 24, 1990)

ACTIVITY

(* = denotes complete as decided by the Committee)

Auditor General Annual Report, March 1990:

- initial briefing; May 8, 1990 *
- Part I; May 15, 1990
- Public Gaming; May 24 and 29, 1990

- Lotteries, June 5, 12 and 19, 1990
- Transportation and Highways; June 26, 1990 and July 17, 1990

1988-89 Public Accounts, volumes 1 through 3 and Digest

- initial briefing; May 15, 1990 *

Records Retention and Disposal Authorities

- initial briefing; May 24, 1990 *
- resolutions; June 12, 1990 (PAC 10/90)*; July 17, 1990 (PAC 10c/90)*

Follow-up on Committee recommendations [2] - Third Session Thirty-Fourth Parliament (see Committee *Report* - 3rd Session)

Motion re subcommittees (Mr. Jones, M.L.A.; May 15, 1990) PAC 11/90

Motion re Lottery Advisory Committee (Mr. Jones, M.L.A.; June 19 and 26, 1990) [adjourned]

MINUTES OF PROCEEDINGS

Tuesday, May 8, 1990
Douglas Fir Committee Room (226)
Parliament Buildings

8:00 a.m.

PRESENT: Ms. Darlene Marzari, M.L.A. (Convenor); Hon. E. Veitch, M.L.A.; Mr. Graham Bruce, M.L.A.; Mr. Larry Chalmers, M.L.A.; Mr. Dave Mercier, M.L.A.; Mr. Dan Peterson, M.L.A.; Mr. Barry Jones, M.L.A.; Mr. Dale Lovick, M.L.A.; Mr. Bob Williams, M.L.A.

Officials:

Office of the Auditor General

Mr. George Morfitt, F.C.A.,
Auditor General

Mr. Robert Hayward,
Deputy Auditor General

Mr. Peter Gregory,
Executive Director

Office of the Comptroller General

Mr. Brian Marson,
Comptroller General

Mr. Alan Barnard,
Deputy Comptroller General

Mr. Vic Skarrup,
Director,
Accounting and Reporting Branch

1. **Resolved**, That Ms. Darlene Marzari, M.L.A. be elected Chairperson of the Committee. (Mr. Jones, M.L.A.)

2. **Resolved**, That Mr. Dave Mercier, M.L.A. be elected Chairman of the Committee (Mr. Bruce, M.L.A.)

3. **Resolved**, That the Terms of Reference and Procedural Notes dated May 3, 1990 be received by the Committee. (Mr. Mercier, M.L.A.)

4. **Resolved**, That the Guidelines for Public Accounts Committees in Canada be received by the Committee. (Mr. Peterson, M.L.A.)

5. **Resolved**, That the Committee adopt the Agenda for today's meeting. (Mr. Jones, M.L.A.)

6. **Resolved,** That the Committee receive the schedule prepared by the Chairperson, dated May 8, 1990. (Mr. Mercier, M.L.A.)

7. **Resolved,** That the follow-up on previous Committee's recommendations be deferred to the call of the Chair. (Mr. Mercier, M.L.A.)

8. The Committee received a briefing from the Comptroller General and the Auditor General on their respective documents referred to the Committee by the House.

9. **Resolved,** That a Report with respect to early release of Provincial public accounts to the public dated May 8, 1990 and prepared by the Member for Burnaby-Edmonds be received by the Committee. (Mr. Mercier, M.L.A.)

10. The Committee adjourned at 9:05 a.m. to the call of the Chair. (Mr. Mercier, M.L.A.)

Tuesday, May 15, 1990
Douglas Fir Committee Room (226)
Parliament Buildings

8:00 a.m.

PRESENT: Mr. Dave Mercier, M.L.A. (Deputy Chairman); Mr. Graham Bruce, M.L.A.; Mr. Harold Long, M.L.A.; Mr. Dan Peterson, M.L.A.; Mr. Barry Jones, M.L.A.; Mr. Dale Lovick, M.L.A.; Mr. Bob Williams, M.L.A.

Officials:

Office of the Auditor General

Mr. George Morfitt, F.C.A.,
Auditor General

Mr. Robert Hayward,
Deputy Auditor General

Office of the Comptroller General

Mr. Brian Marson,
Comptroller General

Mr. Alan Barnard,
Deputy Comptroller General

1. **Resolved,** That the Agenda as circulated be adopted. (Mr. Lovick, M.L.A.)

2. **Resolved,** That the Comptroller General brief the Committee on the 1988-89 Public Accounts, Volumes 1 through 3. (Mr. Mercier, M.L.A.)

3. The Committee requested the Comptroller General to provide the Committee with the rationale and Canadian comparison respecting the compilation and publication of Volume II, Schedule of Payments. (Mr. Peterson, M.L.A.)

4. The Committee received a briefing on Part I (The Public Accounts) of the Annual Report of the Auditor General, March 1990.

5. **Resolved**, That Members wishing to attend the annual meeting of the Canadian Council of Public Accounts Committees to be held in Newfoundland, July 1990 contact the Clerk of Committees who can make the necessary arrangements subject to authorization of Mr. Speaker. (Mr. Peterson, M.L.A.)

6. The following documents were tabled in the Committee:

PAC 8/90	Impact of cyclical resource revenues on the Province's finances 1972-1989
PAC 9/90	Public Accounts - briefing handout by the Comptroller General
PAC 10/90	Approval of records retention and disposal authorities, letter to the Chairperson
PAC 11/90	Motion re subcommittees (Mr. Jones, M.L.A.; May 15, 1990)

7. The Committee adjourned at 9:30 a.m. to the call of the Chair. (Mr. Peterson, M.L.A.)

Thursday, May 24, 1990
Douglas Fir Committee Room (226)
Parliament Buildings

8:00 a.m.

PRESENT: Ms. Darlene Marzari, M.L.A. (Chairperson); Mr. Dave Mercier, M.L.A. (Deputy Chairman); Mr. Graham Bruce, M.L.A.; Mr. Larry Chalmers, M.L.A.; Mr. Harold Long, M.L.A.; Mr. Barry Jones, M.L.A.; Mr. Dale Lovick, M.L.A.; Mr. Robert Williams, M.L.A.

Officials:

Office of the Auditor General

Mr. George Morfitt, F.C.A.,
Auditor General

Mr. Robert Hayward,
Deputy Auditor General

Mr. Errol Price,
Audit Director

Office of the Comptroller General

Mr. Alan Barnard,
Deputy Comptroller General

1. **Public Hearing:** Public Gaming: Licensing and Control (ref. A.G. pp 236-247, et al); (continued)

   Witnesses:

   Ministry of Solicitor General

   Mr. James S. H. Kempling,
   Assistant Deputy Minister,
   Support Services Branch

   Ms. Patricia Stockton,
   Executive Director,
   Public Gaming Branch

   British Columbia Gaming Commission

   Ms. Vicki Kuhl,
   Vice-Chairman

2. The Committee requested the British Columbia Gaming Commission to provide the Committee with a list of owners and agents of bingo halls in British Columbia.

3. Public Gaming Licensing and Control: **Hearing adjourned**

4. **Public Hearing:** Records Retention and Disposal Authorities **PAC 10/90**

   Witness:

   Mr. John Bovey,
   Provincial Archivist *and*
   Chairman,
   Public Documents Committee

5. Records Retention and Disposal Authorities: **Hearing adjourned**

6. The Committee adjourned at 9:30 a.m. to the call of the Chair. (Mr. Mercier, M.L.A)

Tuesday, May 29, 1990
Douglas Fir Committee Room (226)
Parliament Buildings

8:30 a.m.

PRESENT: Ms. Darlene Marzari, M.L.A. (Chairperson); Mr. Dave Mercier, M.L.A. (Deputy Chairman); Mr. Graham Bruce, M.L.A.; Mr. Larry Chalmers, M.L.A.; Mr. Harold Long, M.L.A.; Mr. Dan Peterson, M.L.A.; Mr. Barry Jones, M.L.A.; Mr. Dale Lovick, M.L.A.; Mr. Robert Williams, M.L.A.

Officials:

Office of the Auditor General

Mr. George Morfitt, F.C.A.,
Auditor General

Mr. Robert Hayward,
Deputy Auditor General

Mr. Peter Gregory,
Executive Director

Mr. Errol Price,
Audit Director

Office of the Comptroller General

Mr. Brian Marson,
Comptroller General

Mr. Alan Barnard,
Deputy Comptroller General

1. **Public Hearing**: Public Gaming: Licensing and Control (ref. A.G. pp 236-247, et al); (continued)

Witnesses:

Ministry of Solicitor General

Mr. James S. H. Kempling,
Assistant Deputy Minister,
Support Services Branch

Ms. Patricia Stockton,
Executive Director,
Public Gaming Branch

British Columbia Gaming Commission

Ms. Vicki Kuhl,
Vice-Chairman

2. **The following document was tabled in the Committee:**

PAC 12/90 **Commercial facilities - primarily used for Bingo 1990/91 fiscal period [British Columbia Gaming Commission]**

3. **The Committee requested that the following information be returned to the Committee:**

Auditor General and Comptroller General - analysis of the independence of the British Columbia Gaming Commission. (Mr. Mercier, M.L.A.)

4. **The Committee adjourned at 9:35 a.m. to the call of the Chair. (Mr. Mercier, M.L.A.)**

Tuesday, June 5, 1990
Douglas Fir Committee Room (226)
Parliament Buildings

8:00 a.m.

PRESENT: Ms. Darlene Marzari, M.L.A. (Chairperson); Mr. Dave Mercier, M.L.A. (Deputy Chairman); Mr. Graham Bruce, M.L.A.; Mr. Larry Chalmers, M.L.A.; Mr. Harold Long, M.L.A.; Mr. Dan Peterson, M.L.A.; Mr. Barry Jones, M.L.A.; Mr. Dale Lovick, M.L.A.; Mr. Robert Williams, M.L.A.

Officials:

Office of the Auditor General

Mr. George Morfitt, F.C.A.,
Auditor General

Mr. Robert Hayward,
Deputy Auditor General

Mr. Errol Price,
Audit Director

Office of the Comptroller General

Mr. Alan Barnard,
Deputy Comptroller General

1. **The following documents were tabled in the Committee:**

PAC 13/90 **Independence of the British Columbia Gaming Commission (Auditor General).**

PAC 14/90 Structure of the B.C. Gaming Commission (Comptroller General).

PAC 15/90 The Government's entity for the purposes of the consolidated financial statements (Comptroller General).

PAC 16/90 Detailed reporting of employee salary and expense payments in Volume II of the Public Accounts for the 1989/90 and subsequent fiscal years (Comptroller General).

2. **Public Hearing**: The Lottery Fund: an audit of the granting process (ref: A.G. pp. 222-235, *et al*)

Witnesses:

Ministry of the Provincial Secretary

Mr. John Mochrie,
Assistant Deputy Minister,
Executive and Support Services

Ms. Shirley Kerr,
Director,
Lottery Grants

Ministry of Municipal Affairs, Recreation and Culture

Mr. Ken Macleod,
Deputy Minister

Mr. Barry Kelsey,
Assistant Deputy Minister

2. The Committee requested that the following information be returned to the Committee:

Ministry of the Provincial Secretary - Grants for which an application was not received. (Ms. Marzari, M.L.A.).

3. The Committee adjourned at 9:25 a.m. to the call of the Chair. (Mr. Long, M.L.A.)

Tuesday, June 12, 1990
Douglas Fir Committee Room (226)
Parliament Buildings

8:30 a.m.

PRESENT: Ms. Darlene Marzari, M.L.A. (Chairperson); Mr. Dave Mercier, M.L.A. (Deputy Chairman); Mr. Graham Bruce, M.L.A.; Mr. Larry Chalmers, M.L.A.; Mr. Harold Long, M.L.A.; Mr. Dan Peterson, M.L.A.; Mr. Barry Jones, M.L.A.; Mr. Dale Lovick, M.L.A.; Mr. Robert Williams, M.L.A.

Officials:

Office of the Auditor General

Mr. George Morfitt, F.C.A.,
Auditor General

Mr. Robert Hayward,
Deputy Auditor General

Mr. Errol Price,
Audit Director

Office of the Comptroller General

Mr. Brian Marson,
Comptroller General

1. **Resolved,** That the briefing notes prepared by the Comptroller General and the Auditor General (PAC 13/90 through PAC 16/90) be added to today's agenda. (Mr. Peterson, M.L.A.)

2. **Public Hearing:** The Lottery Fund: an audit of the granting process (ref: A.G. pp. 222-235, *et al*); (continued)

   Witnesses:

   Ministry of the Provincial Secretary

   Mr. John Mochrie,
   Assistant Deputy Minister,
   Executive and Support Services

   Ms. Shirley Kerr,
   Director,
   Lottery Grants

   Ministry of Municipal Affairs, Recreation and Culture

   Mr. Ken Macleod,
   Deputy Minister

   Mr. Barry Kelsey,
   Assistant Deputy Minister

3. The Committee requested the Ministry of the Provincial Secretary to provide the Committee with the following information:

   What analysis was performed to enable a grant to Delta Community Career and Living Society (GO 89 2616) to be made, including:

   the nature of the community use of Variety Farm for which the grant was made;

- justification for exceeding the one-third guide line;

- justification for announcing one-third funding;

- justification for releasing funds prior to clarification of community use.

4. The Lottery Fund: an audit of the granting process: **Hearing adjourned**

5. The following requests for information from the Ministry of the Provincial Secretary were tabled in the Committee: Lottery Grants (various) PAC 17/90 through PAC 21/90. (Mr. Lovick, M.L.A.)

6. **Resolved,** That the management of the retention and disposal of the operational records of the Ministry of Native Affairs be in accordance with the records schedules, standards, and guidelines described in the Ministry of Native Affairs Operational Records Classification System;

That the management of the retention and disposal of the operational records of Land Titles Offices, Ministry of Attorney General, be in accordance with the records schedules, standards, and guidelines described in the Land Title Office Operational Records Classification System; and

That the retention and disposal of the records described in the one-time and ongoing records retention and disposal authorities on the list attached be in accordance with the disposal dates, retention periods, and final dispositions indicated on those authorities. (Mr. Bruce, M.L.A.)

7. The Committee adjourned at 9:35 a.m. to the call of the Chair. (Mr. Mercier, M.L.A.)

Tuesday, June 19, 1990
Douglas Fir Committee Room (226)
Parliament Buildings

8:00 a.m.

PRESENT: Ms. Darlene Marzari, M.L.A. (Chairperson); Mr. Dave Mercier, M.L.A. (Deputy Chairman); Hon. Elwood Veitch, M.L.A.; Mr. Graham Bruce, M.L.A.; Mr. Larry Chalmers, M.L.A.; Mr. Harold Long, M.L.A.; Mr. Dan Peterson, M.L.A.; Mr. Barry Jones, M.L.A.; Mr. Dale Lovick, M.L.A.; Mr. Robert Williams, M.L.A.

Officials:

Office of the Auditor General

Mr. George Morfitt, F.C.A.,
Auditor General

Mr. Robert Hayward,
Deputy Auditor General

Mr. Errol Price,
Audit Director

Office of the Comptroller General

Mr. Brian Marson,
Comptroller General

Mr. Alan Barnard,
Deputy Comptroller General

1. **Public Hearing**: The Lottery Fund: an audit of the granting process (ref: A.G. pp. 222-235, *et al*); (continued)

   Witnesses:

   Ministry of the Provincial Secretary

   Mr. John Mochrie,
   Assistant Deputy Minister,
   Executive and Support Services

   Ms. Shirley Kerr,
   Director,
   Lottery Grants

   Ministry of Municipal Affairs, Recreation and Culture

   Mr. Ken Macleod,
   Deputy Minister

   Mr. Barry Kelsey,
   Assistant Deputy Minister

2. The Committee requested the Ministry of the Provincial Secretary to return to the Committee in writing what criteria was applied with respect to a grant to School District 60.

3. Mr. Jones, M.L.A. provided notice of the following motion:

   "**Resolved,** That the Select Standing Committee on Public Accounts recommend to the Legislative Assembly that the Lottery Advisory Committee established pursuant to Section 3 of the *Lottery Act*, be at arms-length from government."

4. The Lottery Fund: an audit of the granting process: **Hearing adjourned**

5. The Committee adjourned at 9:35 a.m. to the call of the Chair. (Mr. Long, M.L.A.)

Tuesday, June 26, 1990
Douglas Fir Committee Room (226)
Parliament Buildings

8:00 a.m.

PRESENT: Ms. Darlene Marzari, M.L.A. (Chairperson); Mr. Dave Mercier, M.L.A. (Deputy Chairman); Mr. Graham Bruce, M.L.A.; Mr. Larry Chalmers, M.L.A.; Mr. Harold Long, M.L.A.; Mr. Dan Peterson, M.L.A.; Mr. Barry Jones, M.L.A.; Mr. Dale Lovick, M.L.A.

Officials:

Office of the Auditor General

Mr. Robert Hayward,
Deputy Auditor General

Mr. Errol Price,
Audit Director

Mr. Michael Day,
Audit Director

Office of the Comptroller General

Mr. Brian Marson,
Comptroller General

Mr. Alan Barnard,
Deputy Comptroller General

1. It was moved by Mr. Jones, M.L.A. "That the Select Standing Committee on Public Accounts recommend to the Legislative Assembly that the Lottery Advisory Committee established pursuant to Section 3 of the *Lottery Act* be at arms-length from government."

   A debate arising, it was on motion of Mr. Mercier, M.L.A., adjourned.

2. The Committee reviewed a Comptroller General briefing note (PAC 16/90) respecting employee salary and expense payments contained in Volume II of the Public Accounts.

3. The Committee requested the Comptroller General to provide the Committee with more specific detail surrounding the Ontario position regarding employee salary and expense payments included in their public accounts documents.

4. Comptroller's briefing note (PAC 16/90): Debate adjourned. (Mr. Peterson, M.L.A.)

5. **Public Hearing**: Ministry of Transportation and Highways

   Witnesses:

   Mr. Vince Collins,
   Deputy Minister

Mr. Gordon S. Hogg,
Assistant Deputy Minister,
Administrative Services Department

Mr. Dan P. Doyle,
Assistant Deputy Minister,
Highways Operations Department

6. Ministry of Transportation and Highways: **Hearing adjourned**

7. The Committee adjourned at 9:30 a.m. to the call of the Chair. (Mr. Long, M.L.A.)

Tuesday, July 17, 1990
Douglas Fir Committee Room (226)
Parliament Buildings

8:00 a.m.

PRESENT: Ms. Darlene Marzari, M.L.A. (Chairperson); Mr. Dave Mercier, M.L.A. (Deputy Chairman); Hon. John Reynolds, M.L.A.; Hon. Elwood Veitch, M.L.A.; Mr. Graham Bruce, M.L.A.; Mr. Dan Peterson, M.L.A.; Mr. Barry Jones, M.L.A.; Mr. Dale Lovick, M.L.A.; Mr. Robert Williams, M.L.A.

Officials:

Office of the Auditor General

Mr. George Morfitt, F.C.A.,
Auditor General

Mr. Robert Hayward,
Deputy Auditor General

Mr. Peter Gregory,
Executive Director

Mr. Michale Day,
Auditor Director

Office of the Comptroller General

Mr. Brian Marson,
Comptroller General

1. **Public Hearing**: Records Retention and Disposal Authorities (PAC 10c/90)

Witness:

Mr. John Bovey,
Provincial Archivist *and*
Chairman,
Public Documents Committee

2. **Resolved,** That the management of the retention and disposal of the operational records of the Driver License Division of the Motor Vehicle Branch, Ministry of Solicitor General, be in accordance with the records schedules, standards, and guidelines described in the Driver License Division Operational Records Classification System. (Mr. Jones, M.L.A.)

3. **Resolved,** That the retention and disposal of the records described in the one-time and ongoing records retention and disposal authorities on the list attached be in accordance with the disposal dates, retention periods, and final dispositions indicated on those authorities. (Mr. Jones, M.L.A.)

4. **Resolved,** That the Administrative Records Classification System and the ongoing records schedules covering Executive Records and Special Media Records be amended as described in the amendment records retention and disposal authorities on the list attached. (Mr. Jones, M.L.A.)

5. Retention and Disposal Authorities (PAC 10c/90): **Hearing adjourned**

6. **Public Hearing**: Ministry of Transportation and Highways (continued)

   Witnesses:

   Mr. M. Vince Collins,
   Deputy Minister

   Mr. Gordon S. Hogg,
   Assistant Deputy Minister,
   Administrative Services Department

   Mr. Dan P. Doyle,
   Assistant Deputy Minister,
   Highways Operations Department

   Mr. Earl A. Lund,
   Chief Highway Engineer,
   Highways Operations Department

   Mr. Bruce McKeown,
   Assistant Deputy Minister,
   Planning and Major Projects Department

7. Ministry of Transportation and Highways: **Hearing adjourned**

8. The Committee adjourned at 9:00 a.m. to the call of the Chair. (Mr. Peterson, M.L.A.)

Tuesday, July 24, 1990
Douglas Fir Committee Room (226)
Parliament Buildings

8:00 a.m.

PRESENT: Ms. Darlene Marzari, M.L.A. (Chairperson); Mr. Dave Mercier, M.L.A. (Deputy Chairman); Hon. Elwood Veitch, M.L.A.; Mr. Graham Bruce, M.L.A.; Mr. Larry Chalmers, M.L.A.; Mr. Harold Long, M.L.A.; Mr. Dan Peterson, M.L.A.; Mr. Barry Jones, M.L.A.; Mr. Dale Lovick, M.L.A.; Mr. Robert Williams, M.L.A.

Officials

Office of the Auditor General

Mr. George Morfitt, F.C.A.,
Auditor General

Mr. Robert Hayward,
Deputy Auditor General

Mr. Peter Gregory,
Executive Director

Office of the Comptroller General

Mr. Brian Marson,
Comptroller General

1. **Resolved,** That in consideration of the recommendations contained in PAC 16a/90 (Reporting of Employee Salaries in the Public Accounts) the "cut-off limit" for reporting employee salaries in the Public Accounts be raised to $35,000.00. (Mr. Peterson, M.L.A.)

2. **Public Hearing:** Ministry of Highways and Transportation (continued)

   Witnesses:

   Mr. M. Vince Collins,
   Deputy Minister

   Mr. Gordon S. Hogg,
   Assistant Deputy Minister,
   Administrative Services Department

   Mr. Dan P. Doyle,
   Assistant Deputy Minister,
   Highways Operations Department

   Mr. Earl A. Lund,
   Chief Highway Engineer,
   Highways Operations Department

Mr. Bruce McKeown,
Assistant Deputy Minister,
Planning and Major Projects Department

3. **Ministry of Transportation and Highways: Hearing adjourned**

4. **By concensus, the Committee agreed that the Chairperson and Deputy Chairman review the Draft Report and acting on behalf of the Committee, if they are in agreement with the contents, the Chairperson present the Report to the House as soon as possible.**

5. **The Committee adjourned at 9:00 a.m. to the call of the Chair. (Mr. Peterson, M.L.A.)**

****